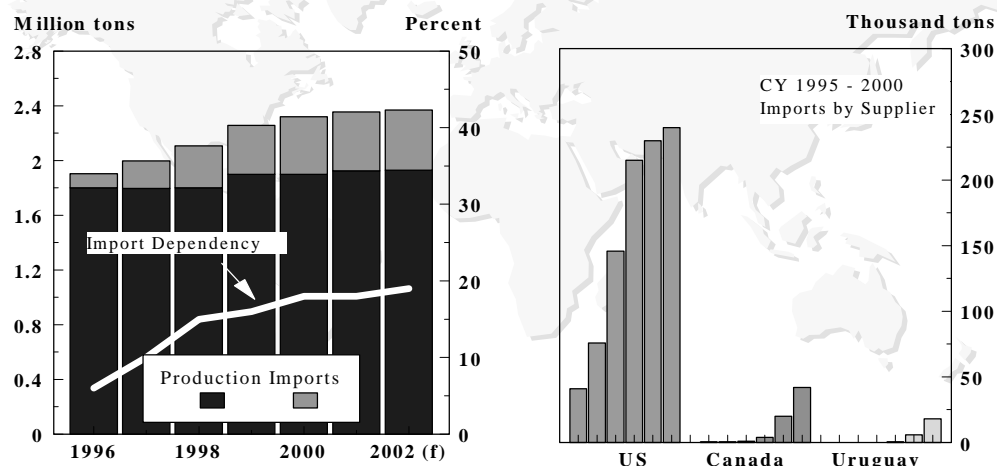


Mexico's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	36,262	35,182	34,210	33,551	32,550	31,496	30,296
Slaughter	8,180	8,200	8,000	8,150	8,200	8,300	8,310
Imports	122	260	182	192	235	195	200
Exports	460	670	721	970	1,224	1,280	1,300
Beef (1,000 tons; carcass weight equivalent)							
Production	1,800	1,795	1,800	1,900	1,900	1,925	1,930
Imports	105	203	307	358	420	430	440
Consumption	1,898	1,992	2,101	2,250	2,309	2,347	2,362

* Total supply = beginning inventories + calf crop + imports

Mexico's Beef Import Dependency Shows Slight Rise as Domestic Production Is Almost Flat



Mexico's beef production for 2002 is forecast up marginally from the previous year to a record 1.93 million tons. Investments to expand the cattle herd are hampered by restrictive interest rates and reduced producers' profits. Cattle inventories for 2002 are projected to decline for the eighth consecutive year due to dry weather, tight domestic credit, and attractive export prices. Cattle exports for 2002 are forecast at a record 1.3 million head, with most, if not all, destined for the United States. Beef imports are forecast at a record level with the United States capturing about 75 percent of the market. A growing middle income population with consumers demanding more meat protein and a flourishing hotel and restaurant industry accounts for the continued growth in the meat sector.